

**ADDRESSING THE CHALLENGES FOR THE MANAGEMENT, MAINTENANCE  
AND REPAIR OF RESIDENTIAL PROPERTIES IN GLASGOW**

**Final Report of the Glasgow Factoring Commission:  
Conclusions, Recommendations and Action Plan**

**SUMMARY REPORT**

*The Glasgow Factoring Commission*

*Chairperson: Jean Charsley*

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## **FOREWORD AND ACKNOWLEDGEMENTS**

This report summarises the findings and proposals for action and change arising from the enquiry into the management, maintenance and repair of residential properties in Glasgow carried out by the Glasgow Factoring Commission between June 2012 and October 2013.

Its main purpose is to set out a plan of action for change and to specify what roles can be played by owners, property factoring organisations, property professionals, the local authority and the Scottish Government in working together to improve the operation of an effective repairs and maintenance system for residential properties where there is shared ownership of the common property.

The Commission's main conclusions and plan of action directly follows the publication of the Draft Consultative Report of August 2013, and the outcomes of consultations of its content with property factors and other stakeholders and interest groups. This Final Summary Report and its accompanying Action Plan is a succinct, much abbreviated, statement of the findings and recommendations as set out in the full Final Report of the Factoring Commission.

The Commission reviewed not only the operation of factoring in Glasgow, but perhaps more importantly, the many issues associated with the repair and maintenance of the major form of housing in Glasgow, flatted housing or tenements whose owners share responsibility for their upkeep.

The full Final Report can be read in parallel with this summary. The full final report can be found at <http://www.glasgow.gov.uk/index.aspx?articleid=10524>

We are grateful to Glasgow City Council for setting up this commission independent of the council, allowing the extension of its remit from factoring to include repair and maintenance. We are also grateful for giving us the support of such experienced staff and for the council's commitment to the findings of the commission.

The report is the culmination of much hard work and personal commitment by members of the commission and of the frank and helpful evidence given by individuals, professionals and organisations across the public, private and voluntary sectors. It clarified the serious problems associated with the repair and maintenance of Glasgow's housing.

My sincere thanks go to all involved, including the members of the Commission themselves, who gave so generously of their time and experience. I include John Morrison who gave much able support and advice to the Commission before his death in 2012, Jennifer Sheddan who administered the setting up of the Commission and Jennifer Russell who served until May 2013. My special thanks to Steve McGowan who co-ordinated the project and Les Milne who collated and summarised all of the evidence and findings. Without the input of all the people who took part the report would not have been so comprehensive.

***Jean Charsley***  
***Chair***  
***Glasgow Factoring Commission***

## Overview

1. The report describes the importance of good and effective factoring and property maintenance to the City of Glasgow, which affects directly and indirectly nearly two-thirds of the population. It sets out the potential for positive outcomes where poor condition of the common property is having an adverse impact on the longevity of tenement and flatted properties and the health and well-being of residents living in these types of properties.
2. The Commissioners initially set out to find the best means of improving the quality of factoring services to owners. However the Commission's remit was broadened to examine blockages to good property maintenance and the effectiveness of private housing sector related legislation. The problem of those who either cannot pay or refuse to pay their share of costs to maintain the common parts of residential buildings also became a major focus of enquiry.
3. A very broad range of housing in the city is now affected by the breakdown of factoring arrangements. This includes disputes between owners and their property factors and lack of co-operation between owners over common responsibilities and shares of repair and improvement costs. Improvement in the quality of and accessibility to basic information for owner-occupiers and owner-landlords was considered to be the single most important change which could be made. It therefore figures heavily in the range of approaches aimed at resolving existing and potential problems, as evidenced to and considered by the Commission. Testimony relating to poor factoring practice was brought to the attention of the Commission. However, there were examples where a poor situation had been turned around by the appointment of an alternative service provider.
4. Issues associated with factoring and property maintenance are not confined to traditional pre-1919 sandstone tenements. A whole range of flatted properties are affected. There is a growing proportion of former Council-owned and ex-Scottish Homes stock which has become part of the private rented sector. This has added further complexity to the situation where there were already problems associated with the ability of Registered Social Landlords (RSLs) to enact the Scottish Housing Quality Standard for their own tenants where they are minority owners in a common property unit.
5. A number of recently constructed private new build developments for rent and sale are also affected, specifically where the original property factor has been unable to secure funds for ongoing and long term maintenance, and has been forced to withdraw factoring services. Indeed, the Commission heard evidence from the growing number of property owners across the full range of flatted stock where there is no factor at all, leaving many owners in an intractable situation.
6. The Commission concludes that living conditions are being adversely affected when the mutual system of common shared repair and maintenance has broken down.

7. The Property Factors (Scotland) Act 2011 is intended to give redress to owners who have experienced poor property factoring practice, and to ensure that every factored owner receives a clear statement of services which they can expect from their factor. The legislation was necessary but, in the Commission's view, not sufficient to produce 'across the board' improvements.
8. The report which follows summarises the key findings of the Commission and provides a proposed plan of action to address a number of the findings.
9. The Plan of Action is appended to this summary report. **(Annex)**

## **Summary of the Glasgow Factoring Commission's main findings and proposals**

This summary is based upon the full Final Report, which has been amended from its Draft Consultative version to take account of comments received and considered by the Commission following the consultation period.

The full Final Report contains more detailed background information on the history of property factoring, the terms of reference and remit of the Glasgow Factoring Commission and interpretation of all the evidence received by the Commission in the course of its work. The full report provides references and weblinks to private sector legislation and best practice publications. It also contains the list of consultees and a glossary of terms.

### **Heading off an emerging crisis**

1. There is an emerging crisis in property factoring which will have significant consequences if not addressed in the near future.
  - Lack of common repair appears to be contributing to falling property values and is threatening the longevity of these properties. This appears to be mainly as a result of failure on the part of owners to agree collectively to invest in common area maintenance
  - Absence of any property factoring arrangements in particular properties or groups of properties means that there is no effective management system in place. This can and will affect not only the building in question, but also adjacent properties
  - The opportunity to improve the energy efficiency of older tenement properties will be lost unless action is taken to make these buildings safe, wind and watertight in the first place
  - Failure to invest is likely to lead to significant and possibly irreversible damage to the economic and social fabric of hitherto stable areas of Glasgow. This could well be replicated in other parts of urban Scotland if a comprehensive approach to the management and maintenance of residential property is not pursued.

Therefore, the Commission urges the Scottish Government to review the overall legislative framework relating to common property maintenance and repair.

## **Building on the Property Factors Scotland Act, 2011**

2. Property factoring organisations and companies have responded to legislation passed specifically to provide redress to owners where there are disputes or disagreements between property factors and individual owner occupiers. Key elements of the Property Factors (Scotland) Act, 2011 have been successfully implemented. These include the requirement for every property factor to produce and distribute a Written Statement of Service for every factored owner and the establishment and operation of the Homeowners Housing Panel to enforce the Property Factors Code of Conduct.

Notwithstanding these significant changes, the Commission concludes that property factors individually or collectively should build upon this through:

- Better communication of the level of fees being charged for services and billing, including insurance issues and repairs progress
- Clearer explanation of the purpose of the float charge and its legal basis
- Regularly testing their own assumptions and performance. The Commission recommends that where property factors are not already doing so, they should carry out their own customer satisfaction surveys and make these available to their own factored owners.
- Better transparency in the procurement of repairs and insurance to achieve value for money
- Being more pro-active in encouraging the regular surveying of common property elements and
- Providing assurance that repairs have been carried out effectively and to a good standard.

### **Owners' responsibilities**

3. The attitude of individual owners to repair and maintenance and knowledge of their responsibilities as set out in their title deeds and the role and extent of authority of their factors (where they have one) is a major concern.
  - It is recognised that there are a number of cultural, financial and legal aspects to the reasons why some owners are unwilling to recognise their responsibilities.
  - Up to three-quarters of Glasgow's entire housing stock has shared common building elements. All of this stock requires regular common maintenance action.
  - Sales of former public sector stock into owner occupation has resulted in a spread of owner fragmentation, principally through conversion from traditional owner-occupation to owner-landlordism. The dramatic increase in the number of private landlords operating in the city over the last ten years has substantially increased the scope for communication difficulties between different owners and property factors, even in the many cases where landlords act as responsible owners.

In spite of this, there are many successful self factoring schemes throughout the city, where owners are working together. However, they can experience the same problems as commercial and RSL factors when properties change hands. These owner associations

require easier, faster and less expensive access to legal redress as well as practical support.

#### **“Common good” versus “Individual rights”**

4. In relation to obligations to manage common property, the Commission concluded that “individual rights” tend to trump the “common good”.
  - The current legal property management framework does not appear to be designed to protect buildings from deterioration - for example, owners not having the right to other owners’ home addresses can slow down and often thwart the process of initiating essential common property repair. This culture of ownership sovereignty is currently embodied in law.

The Commission concludes that tenements and flatted property developments need common action if they are to be sustained in the longer term. The Commission also believes that if this cannot be generated through information and advice, then some degree of compulsion may have to be considered. Only the Scottish Parliament can enact such a change.

#### **Protecting individual and collective assets**

5. At the heart of the problem is a cultural issue about maintenance. The Commission took the view that too many owners often simply fail to acknowledge that their most valuable asset requires protection.
  - Owners may neither account for the cost of repairs when they make a decision to purchase nor in their day to day spend.
  - There is no requirement to plan or save for maintenance and there are no suitable financial tools to set up building reserve funds. Far too few properties have legal clauses built into the deeds of condition to permit building reserve funds to be transferred as “heritable burdens” with changes in property ownership.
  - Many individual properties within tenement buildings and indeed the building as a whole have a considerable re-sale value when in good repair. It is unfortunate that so many owners devote so little attention to maintenance of such significant assets.
  - The Commission investigated legal provision similar to that recently introduced in Ireland where owners of new multi-unit developments are required by law to set up maintenance funds. The Commission argues that there is a case for testing the feasibility of introducing a similar scheme in Scotland and to the commissioning of further research into the feasibility of extending this to all existing tenement buildings.

#### **The importance of good information and advice**

6. The Commission argues strongly for the introduction of a campaign of information and advice. This would have to be a co-ordinated campaign involving factors, estate agents, solicitors and others, with its primary focus on the City of Glasgow local authority area. A key proposal is the establishment of a Glasgow-wide Property Factoring and Common Property Advice website, supplemented with printed material. The Council should also map the extent of non-factoring in properties and target such areas.

#### **A stitch in time – addressing issues before purchase**

7. There is a need to take preventive action at the time of house purchase.

- Potential owners need much better information about the condition of the property they are purchasing and their mutual repairing responsibilities. Estate agents and conveyancers have a major role to play and the Commission recommends that there should be simple written explanations of the owner's title deeds and how these interact with other legislative requirements, such as the Tenement Management Scheme which is the bedrock of the Tenements (Scotland) Act 2004. This Act should be reviewed in terms of introducing regular compulsory common maintenance reports and plans and/or the setting up of sinking funds.
- The Home Report (HR) is a key element of the property purchase process enshrined in law. This is otherwise known as the "Single Survey", and which the vendor is obliged to provide to prospective purchasers. However, The HR provides only minimal information on the condition of common building elements. Whilst the Commission concludes that it would be unfair to make selling owners responsible for detailed surveys of common property, regular (common property) surveys or maintenance plans need to be organised by the property factor or the group of owners in the block. This information, together with information recorded in repair log books could be fed into the Home Report of the property being placed on the market.

### **Affordability**

8. Financially, the recent recession has deepened the problem of owners who simply cannot afford to pay for repairs. The City Council may be in a position to pay individual "missing shares", offer grant support or take enforcement action, mostly in geographic priority areas where problems have accumulated to threaten the stability of whole street blocks. National action is required to set up loan fund, equity release, mortgage to rent and other similar schemes for owners who cannot afford to participate in common repair schemes.

### **Addressing poor thermal performance of older buildings**

9. Unless some of the fundamental problems associated with lack of ongoing maintenance are addressed, the Scottish Government's commitment to increasing energy efficiency will be unmet, specifically in older, mainly private sector tenement stock. However, this also affects a number of flatted properties and tenements constructed between 1920 and 2000 where stock is not in majority ownership of a social rented landlord
  - If tenement owners cannot do simple communal maintenance, they will never be able to make energy efficiency improvements.
  - Lack of repair leads to lower energy standards and can negate the effect of insulation.

### **Debt recovery**

10. The Commission concluded that debt recovery is a major issue for property factors and individual owners
  - The complexity of current debt recovery systems, the fact that many repair debts are beyond small claims court level and the ability to recover cash once judgement has been given, effectively makes owners powerless to recover debts from those who simply refuse to pay their share of common repair and maintenance costs

- The fear of other owners not paying prevents many from initiating repair action.
- Debt recovery is equally an issue for the Council – where it cannot recover the costs of enforcement action, it cannot make funds available for new referrals and therefore unlock further repair schemes.

The Commission considered a number of approaches to dealing with this, including

- increasing the powers of the Home Owner Housing Panel to deal with disputes between owners,
- setting up Housing Courts, and
- increasing powers to those who register and licence landlords.

### **Rationalisation of property law and revision and production of plain English guidance**

11. The Commission recognised that it would be difficult to make retrospective change to title conditions. The Commission also found some pieces of legislation which appeared contradictory or not appropriate to the situation in Glasgow. The Commission also concluded that the private property-related legislation has become too complex and difficult for lay owners to navigate. Therefore
- The Scottish Government is urged to consider consolidation of legislation into one act in the longer term, but as an immediate action, to overhaul guidance on the full range of property law matters and translate this into plain English.
  - Anomalies in the Tenement Act need to be brought to the attention of the Scottish Government, particularly in regard to the applicability of some key clauses as they relate to title conditions in Glasgow and the West of Scotland
  - There is also scope to extend the Tenement Management Scheme to include clauses which allow for
    - setting up reserve funds,
    - carrying out regular surveys (the “Private Housing MOT”),
    - making common property insurance mandatory without exemption, and
    - dealing with anomalies over fairness where titles are shared between separated buildings and with the distribution of share costs between flat owners and shopkeepers.

In the absence of binding legislation in respect of survey and repair, the Commission concludes that mandatory surveys are desirable. In the interim, focus should be on encouraging and supporting owners. Incentives could be developed, for example to encourage owners to develop maintenance plans, ideally through the factor or self factoring owners association. Property factors (both private and RSL) in Glasgow could lead by example, with the City Council Private Sector Grants and Advice service providing practical support.

## ANNEX

### THE GLASGOW FACTORING COMMISSION'S ACTION PLAN FOR IMPROVING FACTORING AND PROPERTY MAINTENANCE

#### Developing the action plan

In order to arrive at the actions required, it was necessary to group the issues and solutions which emerged so that they could be tackled individually or in parallel.

The Commission's approach is to tackle the issues on two broad fronts. Firstly, practical actions which can be taken now or in the near future at a local (i.e. Glasgow-wide) level. Secondly to begin the process of addressing impediments to good practice which cannot be addressed in the shorter term within the city, and which will require intervention of some kind by the Scottish Government and other key property industry representative bodies across Scotland. Where a local solution is deemed practical or where a national intervention is required this is highlighted in the final column of the tables. The letters "PLS" (practical local solution) signifies that a Glasgow-wide solution is possible in the short to medium term. The letters "NLTS" indicates that a national long term solution is required. By long-term is meant within 3 to 5 years. Short to medium term is 1 to 2 years maximum.

- a) Developing and adopting best practice in good factoring and property maintenance within the City of Glasgow:**
- Improving customer service for factored owners through voluntary initiatives which will engender more openness and transparency, particularly in relation to holding repair and maintenance contractors to account, billing, charging, fee structure, competitive procurement of contractor services and common buildings insurance
  - Delivering, through a Glasgow wide website and associated printed publications, information and advice for owners on the importance of good factoring and responsibility for maintenance and repair of common building elements
  - Providing advice and assistance for property-owners without a factor
  - Providing advice to owners who are considering switching to another property factor
  - Making it easier for owners to deal effectively with neighbouring absentee owners, including those owners who are also operating as private landlords in terms of obtaining agreement to proceed with repairs and collecting shares of costs
  - Encouraging take up of qualifications and training for factors
- b) Improving access and improving the complex legal framework governing private sector housing**
- Reviewing the effectiveness or otherwise of current enforcement of different statutes contained in different acts of parliament
  - Providing support to allow lay people to interpret and cross reference specific pieces of legislation, when addressing particular areas of disagreement between parties
  - Raising awareness of legal rights and responsibilities of individual owners
  - Encouraging dialogue with conveyancing solicitors and estate agents to ensure that the role and importance of property factoring is better understood before and during the sales transaction. This should include explanation of variation in deeds and conditions for different

types of property and the fixed nature of these in relation to resolving problems of fragmentation within tenement blocks

- Making a case for the extension of the Home Report to include a more thorough survey of common property failures and potential failures to protect the purchaser and other owners within the block where there is no ongoing common property maintenance survey arrangement in place, and in the longer term, building a case for mandatory common element condition surveys and maintenance plans, covering all tenemental and flatted properties including recently completed new build developments constructed for ownership and leasing.

The Action Plan provides more detail of how these principles may be rolled out, by dividing its content into six themes:

- 1) Providing information and advice to present and future homeowners
- 2) Improving service quality and providing value for money
- 3) Encouraging and enforcing repair, maintenance and behavioural standards through existing agencies, including Glasgow City Council
- 4) Improving the operation of current legislation
- 5) Consolidation and rationalisation of existing legislation and
- 6) Better managing rights and obligations of owners.

**THE GLASGOW FACTORING COMMISSION'S PROPOSED ACTION PLAN  
FOR IMPROVING FACTORING AND PROPERTY MAINTENANCE**

## Theme 1 PROVIDING IMPROVED INFORMATION AND ADVICE TO HOME-OWNERS (1)

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
1.1.	<b>Addressing lack of knowledge about factoring and property maintenance</b>	<b>Development of a Glasgow-specific comprehensive easy to access website to provide basic advice and contacts on all property maintenance and factoring issues in Glasgow,</b> to include a “frequently asked questions” section, and opportunity to provide face to face advice	<b>Glasgow City Council (GCC) as start –up sponsor with input on content and design from local partners</b>	<p><b>PLS</b></p> <p>Long term, a national website could be developed in partnership with Scottish Office, CoSLA and SFHA to extend concept to whole of Scotland</p>
1.2	<b>Raising awareness and understanding of the first-time buyer’s title deeds and Tenant Management Scheme responsibilities and the role of property factors prior to purchase</b>	<p><b>Role for conveyancing solicitors and estate agents at point of sale to provide new homeowners with explanation and information on duties of homeowner and role and contact details for factor (or no factor where this is the case).</b></p> <p><b>Written summary of title conditions provided</b></p> <p><b>Contacts and other weblinks could be embedded in new website described at 1.1 to include basic information describing the owner’s journey. Website advertised through key entry points to the market e.g.</b></p> <ol style="list-style-type: none"> <li>1. Established property for sale and rent websites</li> <li>2. Newspaper property supplements and pages – including regular feature articles on the house buying process but extended to cover maintenance and other responsibilities of property factors</li> <li>3. High Street based Estate/Property Agencies</li> <li>4. Conveyancing Solicitors operating in Glasgow</li> </ol>	<p><b>Representatives from Property Managers Association Scotland (PMAS), Glasgow and West of Scotland Forum of Housing Associations (GWSF) and GCC approach Glasgow Conveyancing Solicitors Forum and local body representing estate agents operating in Glasgow to produce guidance booklet and/or web based information pack</b></p> <p><b>SEE ALSO ACTION 4.4</b></p>	<p><b>PLS</b></p>

## Theme 1 PROVIDING IMPROVED INFORMATION AND ADVICE TO HOME-OWNERS (2)

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
1.3	Reinforcing responsibilities of existing owner occupiers	Encouraging easy access to reputable sources of impartial information, through the new comprehensive website set up under 1.1. with links to more detailed sources of assistance (e.g. technical/planning; financial assistance including grants and loans; enforcement of legal statute; rights of individuals)	GCC  Role for PMAS, GWSF and SFHA members and other non-affiliated property factors to inform owners of impartial advice by promoting the website in communications with factored owners	PLS
1.4	Assisting owners who are unable to pay common charges	Encourage range of options such as government-backed low-cost loan fund; interest-only loans; advice on equity release; 3 <sup>rd</sup> party acquisition and conversion to rent	GCC, SG and Chartered Institute of Housing Scotland (CIHS)	PLS  But will require access to Scottish Government publications, which also need to be updated in the short term
1.5	Encouraging owners who are unwilling to contribute to common repairs and charges	Raise possible options with Scottish Government in terms of <b>1. Simplifying redress procedure which allows factors and owners to pursue those owners who will not pay through fast-track housing courts, arbitration panels and/or extension of powers of Homeowner Panel</b> <b>2. Strengthened powers of debt recovery for local authority in respect to collecting debt incurred through application of missing share</b> <b>3. Provision of more widely targeted plain English guide to home-owners responsibilities</b> <b>To include sections on:</b> <ul style="list-style-type: none"> <li>- Understanding (Your Title Deeds and Conditions,</li> <li>- Financial liabilities</li> <li>- Debt recovery process</li> </ul> <b>4. Assistance with costs for owner(s) taking a case to the Lands Tribunal where there is a dispute over titles or proposed amendment of titles.</b>	GCC, PMAS and Scottish Factoring Network members (SFN)  Requires dialogue to be opened up with Scottish Government	NLTS  Some elements could be delivered in short term e.g. Solution No 3 at column 2, across e.g. plain English guides

## Theme 2 SERVICE QUALITY AND VALUE FOR MONEY (1)

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
2.1	Building confidence in factors and property managers and improving understanding of their role	Developing more transparent means of appointing regular maintenance contractors, based upon practice already adopted by Registered Social Landlords	Individual property factors. However groups of PFs may opt to develop template for general use and consistency of message	PLS
2.2	Ensuring value for money to end user in procurement of regular maintenance contractors	Providing evidence to owners that there was a fair tendering process when awarding regular maintenance contracts based on a split between cost and quality	Individual property factors. However groups of PFs may opt to develop template for general use and consistency of message	PLS
2.3	Improving the quality of service by regular maintenance contractor	Encourage regular customer feedback: e.g. Freepost job satisfaction competed cards / freephone / published annual customer satisfaction surveys	Individual property factors. However groups of PFs may opt to develop template for general use and consistency of message	PLS
2.4	Ensuring value for money to end-user of discounted common building insurance procurement by factor	Communicating common buildings insurance procurement process to owners; advising of share of benefits to end users; demonstration of benefit e.g. reduction in factoring charges as incentive / reward; provision of information on common insurance charge / disclosure of terms of insurance / benchmarking of premiums for specific property type	Individual property factors. However groups of PFs may opt to develop template for general use and consistency of message	PLS
2.5	Ensuring checked and accurate billing to homeowners	Quality control checks on bills to ensure accuracy and joint procurement of standardised billing software packages; allow opportunity for owner to query bill before court action automatically raised	Individual property factors. However groups of PFs may opt to develop template for general use and consistency of message	PLS
2.6	Addressing perception of unreasonably high factoring fees and charges and clarification on the rules relating to obligations to pay factor advance fees and charges.	Openness in explaining fee and charge structure. Property Managers Association members operating in Glasgow agree consistent wording in newsletters and Written Statements which make clear exactly the legal basis of the request for advance charges, Plain English guide to the Tenement Management Scheme be included in any general information and advice	Individual property factors/consortia of property factors  Extension/development of next round of Written Statements	PLS

## Theme 2 SERVICE QUALITY AND VALUE FOR MONEY (2)

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
2.7	Consistency in requests for the amount of floating/sinking fund charged	Factors clarify whether or not deposit was paid, and explain reason for any top up charge, what it will be used for. Explanation of legal basis for charge e.g. whether in Title Deeds or by agreement via owner sign up to Tenement Management Scheme	PMAS+SFN  Extension/development of next round of Written Statements	PLS
2.8	Information on switching factor	Individual property factors provide information to customers on conditions under which switching may take place e.g. restrictions in title deeds; process of ending factoring agreement / contract  SEE ALSO 4.3	PMAS+SFN	PLS
2.9	Further development of qualification(s) in property factoring and accreditation of property factors	Focus on basic qualification in factoring administration or introduce modern apprenticeship, and specialist training where appropriate (e.g. technical and building maintenance), individual company accreditation through independent body  Advertise existing Institute of Residential Property Managers (IRPM) Scottish syllabus	Individual property factors in association with CIHS, IRPM or other accredited course provider	NLTS, but could be an early national action
2.10	Introduction of customer satisfaction surveys	Individual independent annual customer satisfaction surveys	Individual property factors	PLS

**Theme 3 ENCOURGING AND ENFORCING REPAIR, MAINTENANCE AND BEHAVIOURAL STANDARDS IN THE PRIVATE HOUSING SECTOR (1)**

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
3.1	Improving co-ordination of resources to tackle disrepair and nuisance	The City Council should consolidate and further develop its role as enabler and impartial advisor across a range of issues affecting private sector housing stock via cross-departmental officer working group.	GCC Development and Regeneration Services (DRS) lead with GCC Land and Environmental Services (LES) & Community Safety Glasgow (CSG)	PLS
3.2	Dealing with perception that the City Council is not doing enough to enable repair and maintenance of private housing stock	Glasgow City Council publishes a Statement of Assistance as legally required ,detailing the Council's role in relation to the city's private sector housing stock and sets down its priorities for funding .An annual programme report is submitted to committee giving a break down of the Private Sector Housing Grant budget	GCC DRS	PLS  Migrate information to new website as soon as possible
3.3	Addressing the perception that authorities appear unable to prosecute poor landlord and /or factoring practice e.g. <ul style="list-style-type: none"> <li>• alleged or suspected exploitation or mistreatment of tenants and/or other owners</li> <li>• failure of factors and/or owners to keep buildings in good repair</li> <li>• cases fall at procurator fiscal level</li> </ul>	Provision of adequate resources to execute existing discretionary powers, provision of enhanced powers for local authority on targeted area basis e.g. <ul style="list-style-type: none"> <li>• identification of "hot-spots" ("Enhanced Enforcement Areas")</li> <li>• empty house purchase acquisition (enforced sale powers)</li> <li>• synchronisation of HMO license renewal and enforcement of outstanding repairs affecting <u>all</u> owners in the block.</li> </ul>	GCC DRS and SG	NLTS  There is ongoing dialogue between Scottish Government and the Council. Some key issues being addressed in current round of private housing sector legislation e.g. Enhanced Enforcement Areas; registration of letting agents

**Theme 3 ENCOURGING AND ENFORCING REPAIR, MAINTENANCE AND BEHAVIOURAL STANDARDS IN THE PRIVATE HOUSING SECTOR (2)**

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
3.4	Development of means to assist owners and landlords in a situation where there is no factor for the common property	<ol style="list-style-type: none"> <li>1. Development of a new data base to determine location of all properties without a factor</li> <li>2. Provision of helpline/advice point as part of new website (from Rec 1.1) e.g. guide to self-factoring, how to set up an owners' association, guide to legal redress against debtors</li> <li>3. Registered Social Landlords consider acquisition of properties when opportunities arise</li> <li>4. Council provides missing share as backstop within existing rules of engagement in Scheme of Assistance</li> </ol>	<p>GCC</p> <p>GCC</p> <p>GCC working in partnership with RSLs</p> <p>GCC working in association with Property Factors /Owners.</p>	<p>PLS</p> <ol style="list-style-type: none"> <li>1. Establishment of a data base, would have to be a voluntary arrangement</li> <li>3. Property acquisition may be limited. However, there are example of where this is already happening in the city</li> <li>4. Information on the operation of the "missing share" to be more widely publicised to Property Factors</li> </ol>

## Theme 4 IMPROVING THE OPERATION OF EXISTING LEGISLATION

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
4.1	Finding ways to reduce length of time it takes to process maintenance orders and plans, reduce bureaucracy and cost to owners and local authorities.	Streamline the process, removing the need to register orders against against the property title on 2 separate occasions and reduce timescales for implementation.	GCC and SG	NLTS  Further dialogue with Scottish Government required
4.2	Applying Repairs Notices in a situation where more comprehensive improvement is required	Look at the full range of statutory powers available to local authorities which could include the service of Work Notices .Investigate the use of Housing Renewal Area powers.	GCC and SG	NLTS  Further dialogue with Scottish Government required
4.3	There is no obvious independent advice available on the process of switching factors, even although some factors offer a service.	Provision of independent advice on the mechanics of switching. Factors offering a service may not be accredited. <ul style="list-style-type: none"> <li>• Provision of information e.g. updated version of “Common Repair, Common Sense”</li> <li>• Specific information on arrangements/variation in modern mixed tenure developments and land ownership companies</li> </ul>	GCC via new website and Scottish Government via updated guidance reflecting legislation as passed  SEE ALSO 2.8	NLTS  Requires further research and development time and input of Scottish Government re formal advice
4.4	Raise awareness of Section 63 of the Title Conditions Scotland Act which can over-ride Title Deeds to limit period that factor can exercise right to manage the property	Provide copies of Land Certificate and/or Title Deeds to new owners prior to purchase	Conveyancing solicitors  SG Linked to 4.3 Also joint approach by PMAS, GWSF and GCC to Glasgow Conveyancers Forum in parallel with ACTION 1.2	NLTS  Requires further research and development time and input of Scottish Government re formal advice
4.5	There is no single agency to which homeowners can refer a dispute out-with formal court process or breach of Property Factor Code of Conduct	Find alternative means of resolving disputes <ol style="list-style-type: none"> <li>a) between owners within a single tenement</li> <li>b) where buildings are linked by shared titles</li> </ol> e.g. shared property disputes referred to the new proposed First Tier Tribunal; Serious cases referred to a specialist housing court	GCC, SG and HOHP	NLTS  Requires further research and development time and input of Scottish Government re formal advice

## Theme 5 CONSOLIDATION AND RATIONALISATION OF EXISTING LEGISLATION

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
5.1	Ability of owners to dismiss or switch factors where a majority of owners cannot be obtained	Closing of loopholes in deeds and conditions to ensure that factors and developers are not able to prevent a majority of owners from dismissing current factor and appointing an alternative factor e.g. by majority decision at a meeting and use of proxy voting and with period of notice.	SG and Law Society of Scotland	NLTS
5.2	Rationalisation of private property legislation	Preference would be for a consolidated Act. In the meantime, Scottish Government commissions handy cross referenced, jargon free guide to using the various clauses of the Scottish Title Conditions Act, Tenements Act, Housing Act, 2006, Property Factors Act and Private Sector Housing Act as they relate to factoring and property management and maintenance;	SG	NLTS
5.3	Lack of obligation to establish a sinking fund in all new multi-unit developments	Establishment of a minimum sinking fund agreement for all new-build flatted developments and consider ways in which this could be introduced retrospectively where the agreement has broken down, feasibility of enabling a new model "Multi-unit development" regime based on the Owner Management Companies in the Republic of Ireland, with guarantee that any moneys put into the scheme are safeguarded and used for the original stated purpose.	SG-CIHS-GCC research project	NLTS
5.4	Disrepair and HMO Licence Renewal	Provision of discretionary powers to local authority to deal with HMO licensees and neighbouring owners when addressing disrepair at point of HMO license renewal Landlord registration SEE ALSO 3.3	SG	NLTS

**Theme 6 RIGHTS AND OBLIGATIONS IN RESPECT OF COMMON PROPERTY MAINTENANCE**

Action point Ref No	KEY ISSUE TO BE RESOLVED	SOLUTION PROPOSED BY GLASGOW FACTORING COMMISSION	SUGGESTED MAIN / JOINT RESPONSIBILITY FOR CO-ORDINATING THE ACTION	Practical local solution (PLS) or national long term solution (NLTS)
6.1	Lack of a standardised maintenance assessment/report for common property elements and consequent maintenance programme	Introduction of a Common Report and Maintenance Plan (The Housing "MOT") on a regular cycle	SG + relevant professional bodies and local authority representatives	NLTS
6.2	Implementing a cyclical maintenance programme following condition survey	Common property surveys should be followed up by application of maintenance plans and wherever possible, initiatives to improve thermal efficiency are practicable	SG + relevant professional bodies and local authority representatives	NLTS
6.3	Clarifying owner-landlord role in addressing factoring issues	When considering regulation of letting agents, Scottish Government should also address responsibilities of owner-landlords in relation to co-operation with factors and other owners in the property	SG	NLTS